

OLYMPIA, WASHINGTON

April 3, 2007

The State Finance Committee met in a special meeting after notice duly given to the press and radio of Thurston County.

Present: Michael J. Murphy, State Treasurer
Christine O. Gregoire, Governor

Also Present: Allan J. Martin, Office of the State Treasurer
Amy Arnis, Department of Transportation
Sue Melvin, Office of the State Treasurer
Wendy Kancianich, Office of the State Treasurer
Tom Saelid, Office of Financial Management
Susan Musselman, Susan D. Musselman, Inc.
Nancy Notter, Office of the State Treasurer
Pam Johnson, Office of the State Treasurer
Dean Torkelson, Seattle-Northwest Securities
Nancy Adams, Office of the State Treasurer
Svein Braseth, Office of the State Treasurer
Andrew Scott, Attorney General's Office
Noah Crocker, Office of the State Treasurer
William Tonkin, Foster Pepper PLLC
Shelly McGuire, Office of the State Treasurer

Chairman Murphy called the meeting to order.

Governor Gregoire moved the minutes for the January 23, 2007 State Finance Committee meeting be approved. Chairman Murphy seconded the motion. The motion passed and the minutes were adopted.

Mr. Martin said proposed Resolution No. 1051 provides for the issuance and sale of not to exceed \$250,000,000 State of Washington Various Purpose General Obligation Bonds, Series 2007F, authorized by Chapter 487, Laws of 2005 and Chapter 39.42 RCW for the purpose of providing funds to pay and reimburse the state for various state capital project expenditures; fixing the date, form, terms, maturities, redemption provisions and covenants of the Bonds; providing for certain other provisions safeguarding the payment of the principal thereof and interest thereon; and authorizing and directing the sale of said Bonds.

Mr. Martin said that the Series 2007F Bonds will be used to fund cash flow requirements of the State Building Construction Account (fund 057). Mr. Martin pointed out that the monthly average expenditures from fund 057 equaled almost \$54 million for fiscal year 2007 (as of February 28, 2007) compared to \$39.4 million for fiscal year 2006 -- an increase of 36.6% from fiscal year 2006.

Mr. Martin said the sale of Series 2007F is being proposed as a supplemental sale to help assure that fund 057 will maintain a positive fund balance.

Mr. Martin presented proposed Resolution 1051 to the committee.

Resolution 1051 authorizes the issuance and sale of not to exceed \$250,000,000 State of Washington Various Purpose General Obligation Bonds, Series 2007F, authorized by Chapter 487, Laws of 2005; and Chapter 39.42 RCW.

Governor Gregoire moved to adopt Resolution 1051. Chairman Murphy seconded the motion and the resolution was adopted.

Chairman Murphy announced that Assistant Treasurer Michael Collieran will be retiring at the end of April and that Allan Martin has been appointed the new Assistant Treasurer effective May 1, 2007. Chairman Murphy further announced that, in addition to his appointment as Assistant Treasurer, Allan Martin shall continue to hold his appointment as Secretary of the State Finance Committee and Deputy Treasurer for Debt Management and thereby continue to administer and certify all State Finance Committee authorized bond issuance activities and documents until such time that a new person is appointed by Chairman Murphy to serve in that capacity.

There being nothing further to come before the committee, the State Finance Committee meeting was adjourned at 10:15 a.m.

STATE FINANCE COMMITTEE
STATE OF WASHINGTON

Michael J. Murphy, State Treasurer & Chairman

Christine O. Gregoire, Governor & Member

Brad Owen, Lieutenant Governor & Member

Allan J. Martin
Deputy State Treasurer & Secretary